



# IHSA

# ANNUAL REPORT

## 2010



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## **IHSA Vision**

The elimination of all workplace  
injuries, illnesses, and fatalities  
within our member firms

# A Message from the CEO

It seems appropriate, at every opportunity I have to prepare a message for broad distribution, to begin by stating that we are experiencing interesting and meaningful times. Certainly, this current period is no exception with this association having accomplished much and anticipating much more.

Against this backdrop, this year has been distinctive in that the people of this province will have experienced two general elections, with a federal contest last spring, and a provincial election ongoing. I reference this distinction for only one reason, that being to provide what I believe is an appropriate analogy and an effective introduction to this Annual Report and this our second Infrastructure Health & Safety Association (IHSA) Annual General Meeting.

**“While we were confident that the cornerstone of the organization we had established would prove to be effective, we remained mindful of the challenges that lay ahead and the work that would be required to achieve the objectives we set for ourselves.”**

I have heard it often said that for someone in the arena of public life the most satisfying and rewarding contest is not the first success, but the second in that it truly is an assessment of one’s efforts as well as the objectives for the future.



**Al Beattie**, President and CEO

For IHSA this, our second AGM, provides us with a sense of satisfaction and the confidence that we are well established to face the challenges and intended successes of the future. At our last gathering, we reflected on our efforts to bring together the legacy associations, establish a competent and truly representative Board of Directors, and set an operational structure that would leverage the best of what we had to offer to our new expanded membership. (In the body of this report, you will view a detailed analysis of that structure and its effectiveness.)

While we were confident that the cornerstone of the organization we had established would prove to be effective, we remained mindful of the challenges that lay ahead and the work that would be required to achieve the objectives we set for ourselves. It turns out that we were right on both counts.

However, one year later, we believe IHSA has responsibly dealt with our challenges, both anticipated and not, and are stronger collectively than we were individually.

Continued on next page...

# Board of Directors

This is not to say that we have any opportunity to be complacent. The prevention system continues to change and evolve. Most notably, and in short order, the prevention mandate will shift to the Ministry of Labour from the Workplace Safety and Insurance Board. To that end, the new Chief Prevention Officer has been selected and we look forward to working closely with him and his colleagues.

This further evolution has been well known in recent months and IHSA has taken the proactive measures to position our association for the change. For example, in our strategic plan we place great emphasis on skills development. In addition, and in anticipation of the implementation of the Dean Panel recommendations, we have developed a COR program in concert with our stakeholder partners.

These are but few of the measures the association has taken. I encourage you to review this report for a more fulsome analysis.

**“The prevention system continues to change and evolve.”**

Finally, I would like to extend my sincere appreciation to the IHSA Board of Directors for the way they came together as a cohesive group and defined the collective workplace safety interests of our membership and the success of this association as their primary priority.

And, I very much wish to recognize the staff of the IHSA, most of whom I have only recently come to know and appreciate. The teamwork they have displayed is something that could not have been anticipated. An organization can only be effective if it acts as a team. IHSA has proven to be a great team.

Thank you for your attention.



**Al Beattie**, President and CEO

## Transportation

Tim Holdaway	Midland Transport Limited
Barry House	First Canada ULC
Bud McAulay	Teamsters Canada
Len Poirier	CAW-TCA Canada

## Residential

Eugene Filice	Great Gulf Homes Limited
Claudio Mazzotta	Drywall Acoustic Lathing & Insulation, Local 675

## General ICI

Mike Archambault	AECON Group Inc.
Bob Kerr	Brick and Allied Craft Union of Canada

## Heavy civil & aggregates

Darrin Husack	ConDrain Group
Joe Redshaw	International Union of Operating Engineers, Local 793

## Mechanical

Tom Lachance	TESC Contracting Company Ltd.
Neil McCormick	Ontario Pipe Trades Council

## Electrical

Jack Dowding	IBEW Construction Council of Ontario
Dean Gatien	PowerTel Utilities Contractors Limited
Scott E.R. Martin	Ontario Power Generation
Keith Rattai	The Society of Energy Professionals

## Priority rates

Cosmo Mannella	L.I.U.N.A. Canadian Tri-Fund
Jonathan Zuber	Priestly Demolition Inc.

## Executive committee

Mike Archambault	AECON Group Inc.
Dean Gatien	PowerTel Utilities Contractors Limited
Tim Holdaway	Midland Transport Limited
Joe Redshaw	International Union of Operating Engineers, Local 793

# A Message from the Co-chairs

It is with great pleasure and some degree of satisfaction that we, on behalf of the Infrastructure Health & Safety Association's Board of Directors, extend a sincere welcome to those attending this Annual General Meeting (AGM) of the IHSA. We extend our appreciation to our new collective membership for the support they have demonstrated since the inception of this health and safety association.

**“It is critical that when we enter the next phase of the evolution of the prevention system, these synergies remain intact and we continue to benefit from them.”**

**Mike Archambault**, Co-Chair



Prior to addressing the merits of IHSA itself, we would like to recognize the efforts and commitment of our Board of Director colleagues. We are all aware that the responsibilities of a Board are significant and that prudent and respectful oversight and guidance is critical. This is particularly true, when a new entity is being established, as in our circumstance. In composing the Board for the IHSA, the objective was to ensure that individuals were representative of the founding organizations and well-versed in the safety requirements and meaningful training interventions in those sectors. Not only was that objective achieved by the eventual selections, but individually we all benefited from the boardroom table discussions and interactions.

Essentially, through this new partnership, we garnered an appreciation and enhanced knowledge of the sectors we were not previously as familiar with. Moreover, this experience helped to ensure that the IHSA has emerged as the preeminent sector-specific safety association. Individually, that was our objective going through this process. Collectively, that has been the result of this process.

For these reasons and many more, we are delighted that, for the most part, our Board will remain intact. It is critical that when we enter the next phase of the evolution of the prevention system, these synergies remain intact and we continue to benefit from them.



**Joe Redshaw**, Co-Chair

With respect to that next phase, we wish to share with you what will be our emphasis. The move from the Workplace Safety and Insurance Board to the Ministry of Labour and the implementation of the Dean Panel recommendations

Continued on next page...



will continue to demand time and staff resources. However, now that the eventual result has been defined, we wish to ensure that IHSA will have increased latitude to focus on its primary mandate. Specifically, in the body of this report, you will note the statistics regarding lost-time injuries and fatalities. While the trend lines are going in the right direction, they also identify the gravity of the work that needs to be done going forward. Our emphasis as a Board will be to ensure that IHSA will be positioned to focus on improving those trend lines even further.

**“This board is pleased to oversee individuals that have displayed this level of professionalism and commitment to what they do.”**

In conclusion, we would like to recognize the IHSA and its personnel. We do not hesitate to note that under the leadership of our CEO, and the Executive Team, the IHSA has blended well to meet the challenges of an increased product and service demand (witness list of IHSA rate groups) and decreasing financial resources. This board is pleased to oversee individuals that have displayed this level of professionalism and commitment to what they do.

We look forward to this continuing and meeting the future.

Thank you.

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**Mike Archambault**, Co-Chair

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**Joe Redshaw**, Co-Chair

# Who we are

“IHSA is part of Health and Safety Ontario, which is the province’s network of health and safety associations.”

The Infrastructure Health & Safety Association (IHSA) works with employers and workers in Ontario to eliminate occupational injury and illness. It serves the aggregates, construction, electrical, natural gas, ready-mix concrete, transportation, and utilities industries. IHSA offers training programs, auditing and consulting services, and health and safety resources.

IHSA was founded in January 2010 by amalgamating the Construction Safety Association of Ontario, the Electrical & Utilities Safety Association of Ontario, and the Transportation Health and Safety Association of Ontario.

IHSA is part of Health and Safety Ontario, which is the province’s network of health and safety associations. As part of the system, we are recognized by the Ministry of Labour, the Ministry of Transportation, the Ministry of Training, Colleges and Universities, and the Workplace Safety and Insurance Board as designated trainers and consultants. So, you can be sure that the training you get from IHSA meets regulatory requirements and compliance standards.

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## Membership

You are automatically a member of IHSA if you are employed with a firm that pays premiums to the WSIB in Ontario in one of the following rate groups:

<b>134</b> Aggregates	<b>719</b> Inside Finishing
<b>497</b> Ready-Mix Concrete	<b>723</b> ICI Construction
<b>551</b> Air Transport Industries	<b>728</b> Roofing
<b>553</b> Air Transport Services	<b>732</b> Heavy Civil Construction
<b>560</b> Warehousing	<b>737</b> Millwrighting and Welding
<b>570</b> General Trucking	<b>741</b> Masonry
<b>577</b> Courier	<b>748</b> Formwork and Demolition
<b>580</b> Miscellaneous Transportation	<b>751</b> Siding and Outside Finishing
<b>584</b> School Buses	<b>764</b> Homebuilding
<b>681</b> Lumber/Builders Supply	<b>830</b> Power and Telecommunication Lines
<b>689</b> Waste Materials Recycling	<b>833</b> Electric Power Generation
<b>704</b> Electrical and Incidental Construction	<b>835</b> Oil, Power and Water Distribution
<b>707</b> Mechanical and Sheet Metal	<b>838</b> Natural Gas Distribution
<b>711</b> Road Building and Excavation	

IHSA works closely with its industry partners and labour associations through its Labour-Management network, its industry-based Advisory Councils and its two Provincial Labour-Management Safety Committees or Section 21 Committees (construction and electrical respectively).

# Training and other resources

One of the benefits of being a member of IHSA is the wide variety of training available. We offer courses on topics ranging from fall protection to defensive driving and from cable locating to ergonomics. Complete in-class programs at one of our locations or have an instructor come to you.

IHSA courses range from short general awareness sessions to highly technical hands-on instruction.

In addition to training, IHSA also offers a wealth of posters, stickers, DVDs, instructional manuals, home-study programs, and other valuable resources that reinforce the health and safety message.

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# Consulting and auditing

IHSA consultants are experienced health and safety professionals who can show you how to apply best practices and world-class prevention strategies to your operations, regardless of the size of your company. They will work with you to develop and implement a health and safety policy and program that is specific to the needs of your workplace.

We offer a range of auditing services including ergonomic assessments, internal responsibility system audits, transportation compliance, health and safety audits and much more.





# Departmental Updates

## Prevention Core Services Department

The Prevention Core Services department cut a wide swath across Ontario, providing services to firms all over the province, regardless of the location. Consultants were deeply engaged in not only providing health and safety training and consulting but also engaging those priority firms that are most at risk for high levels of injury.

The courses covered by the Core Services Department cover all of IHSA's member industries and range from basic information sessions to high-level skills courses. Consultants lead scheduled public courses and are also available to assist firms with their health and safety needs at their facilities.

### Priority firm engagement

IHSA consultants visited 1,914 firms in 2010 which is 100 per cent of firms within the cohort of firms considered to be at a high risk of injury or fatality. IHSA achieved all of its goals on its system scorecard, including injury reduction and meeting with priority firms.

### Training

Providing training to workers is one of the essential tenets behind IHSA's core efforts.

In 2010, IHSA provided 1,894 courses to 17,055 participants. These courses cover a wide range of topics and allowed workers and supervisors from across all IHSA sectors to learn new skills or review existing ones.

### Employee recognition programs

IHSA offers several programs that serve to inspire member firms to improve their health and safety systems while also recognizing their efforts. Our employee recognition programs stem from our legacy associations but have expanded to serve all members in 2010.

#### *Safe Driver/Worker Awards*

IHSA established the *Safe Driver Award Program* and the *Safe Worker Award Program* for employers to recognize the health and safety performance of their employees. In 2010, 1,113 firms were registered in the *Safe Driver Awards Program* covering about 43,000 drivers and 200 firms were registered in the *Safe Worker Awards Program* with about 6,500 workers.

“IHSA consultants visited 1,914 firms in 2010 which is 100 per cent of firms within the cohort of firms considered to be at a high risk of injury or fatality.”



### *Fleet Safety Council*

The Fleet Safety Council is an association of driver trainers and professionals working in co-operation with IHSA to promote safety within the transportation and transport industry.

The Council encourages the improvement of driver behavior through increased awareness and training. Working with government agencies and private organizations, the Council strives for a uniform system of safety requirements for drivers in Ontario.

In 2010, Prevention Core Services consultants administered 12 Fleet Safety Council monthly chapter meetings provincially. These groups have a total membership of approximately 500 people.

### **Mobile Classroom**

IHSA understands that sending course participants to a day or more of training can be time consuming. That's why it maintains a mobile classroom that can be driven to any worksite. Workers can participate in valuable training and take only a minimal amount of time to do it.

In 2010, more than 6,000 workers were able to take advantage of the IHSA mobile classroom. Highlights include:

- Over the course of the year the training programs involved covered specific trades and hazards.
- In April, there was a special emphasis on drywall trades surrounding temporary work platforms in the Greater Toronto Area (GTA). April also saw emphasis on travel restraint and anchor selection across the GTA.
- In May, there was a review of sewer and watermain work, including trenching hazards and procedures in the GTA.
- Also in May, the mobile classroom was set up at an open house in Waterloo for a Skills Canada display.
- In July, the classroom focus was on low-rise residential ergonomic issues and musculoskeletal disorder awareness in Ottawa.
- In August, courses were on ICI-based equipment and material handling hazards in Sault Ste. Marie, as well as heavy equipment hazards and traffic control planning in North Bay and Sudbury.
- October focused on skills promotion for high school students in Stratford, Listowel and Kincardine. Courses were also taught in the ICI industry for fall protection and environmental hazards in London.

# Prevention Specialty Services Department



The Prevention Specialty Services Department combines a unique group of IHSA staff. This department works in a number different streams including the provision of highly technical skills-based training, apprenticeship training, auditing services, ergonomic services as well as special programs such as ZeroQuest® and WSIB Safety Groups.

As well, the technical services group provides valuable data and research on new legislation and standards, proper safety procedures, and other key information.

## Safety Groups

Safety Groups is an initiative implemented by the Workplace Safety and Insurance Board (WSIB) that offers financial incentives to firms that implement effective health and safety initiatives and return-to-work measures into their workplaces. It is based on the premise that a well-integrated health and safety program is good for business.

Safety Groups is a voluntary five-year program with a structured approach. Participating companies elect to work on several elements under the advice and guidance of a sponsor, in this case IHSA. After five years, successful firms will have a health and safety program with 25 completed elements that are aligned with their workplace needs and legislation.

In 2010, IHSA had two established Safety Groups: Transportation and Electrical. In 2011, a Construction Safety Group was also created. These groups have been extremely popular and reaped both the financial and human benefits of this unique program. The result has been rebate cheques and stronger health and safety management systems.

The Transportation Safety Group had approximately 270 registered members in 2010, while the Electrical Safety Group had 42.

## ZeroQuest®

ZeroQuest® is IHSA's comprehensive audit program that assists workplaces in the development of occupational health and safety management systems.

ZeroQuest® is comprised of four levels. Each level builds upon the previous one. The goal is to guide participants through the process of building a sustainable health and safety system.

In 2010 72 firms were taking part in ZeroQuest®.

## Powerline Technician Apprenticeship

IHSA is one of a limited number of training delivery agents designated by the MTCU to provide the skills-based training for all four levels of the Powerline Technician Apprenticeship Program.

Each level covers all relevant theory and practical topics required for the apprenticeship program, including work techniques and the legislation regarding safe work. Apprentices learn from highly experienced, professional trainers, then demonstrate understanding of their newly acquired skills using well-tested and evaluated safe work methods.

In 2010, 236 apprentices attended training at IHSA's Skills Development Centre. As well, IHSA instructors provide support and training to Cambrian College's Powerline Technician program.



“Apprentices learn from highly experienced, professional trainers, then demonstrate understanding of their newly acquired skills”

# Client Services Department

## **IHSA Advisory Councils**

IHSA has formed several Advisory Councils to help us better serve the industries of our member firms. They are made up of employer and worker representatives and meet regularly to inform our board of industry needs and upcoming trends.

They consist of:

- *Transportation Advisory Council*  
(Rate Groups: 570, 577, 580 & 584)
- *Residential Advisory Council* (merged with the Residential Labour-Management Health and Safety Committee in 2011)  
(Rate Groups: 751 & 764)
- *General ICI Advisory Council*  
(Rate Groups: 712, 719, 728, 741 & 748)
- *Heavy Civil and Aggregates Advisory Council*  
(Rate Groups: 134, 497, 711 & 732)
- *Mechanical Advisory Council*  
(Rate Groups: 707 & 737)
- *Electrical Advisory Council*  
(Rate Groups: 704, 830, 833, 835 & 838)

## **Labour-Management Network**

In 2010, the Labour-Management Network of Health and Safety Committees continued its long tradition of providing a forum for regulatory reform and exchange of information for stakeholders representing the construction industry. These committees have been a part of the construction industry's history through the legacy Construction Safety Association of Ontario.

While undergoing changes in IHSA staff support necessitated by operational efficiencies, committees met to provide comments to the Expert Advisory Panel (Tony Dean) on occupational health and safety issues, worked on committee projects, examined injury trends by trade and sector and initiated dialogue on proposals for regulation review.

Many recommendations from the panel were welcomed by the Provincial Labour-Management Committee and the network, especially mandatory entry level training for construction workers (as this has been a historical lobbying effort with various Ministers of Labour) and establishment of training program standards for high-risk work. Along with these and other recommendations to be enacted by OHS legislation changes as enshrined in Bill 160, the provincial, regional, trade, and sector committees will be challenged in the coming years to provide guidance for implementing these important changes for our construction industry.

Through the Construction Legislative Review Committee (CLRC), the Provincial Committee initiated working groups to review regulations relating to tower cranes, tunneling, suspended access equipment and ventilation. With assistance from various committees, the Provincial Committee also provided the Ministry of Labour with important feedback on confined space regulation consolidation, ladder use in construction guidelines and expansion of the minor offences and on-the spot ticketing for contraventions.

The Regional Labour-Management Committees maintained a full schedule of meetings to deal with local issues and promote heightened awareness in their communities by sponsoring multi-faceted events and seminars. For example the North Bay Regional Committee, a relatively new one, was recognized for its sponsored community events over the past several years by being awarded the Gil Samson Award for 2010.

Trade and sector committees conducted ongoing and much needed expert input on trade-specific topics. The Provincial Committee, as well as IHSA, can utilize this expert input to develop a response to injury trends such as MSDs, fall-related injuries and occupational disease.

Members of the Trade and Sector Committees have also assisted IHSA in these endeavours by participating on the IHSA Advisory Councils. They serve as representatives of various WSIB rate groups and trades in the construction industry. In addition to populating the initial Board of Directors for IHSA in 2010, these councils are now meeting quarterly to review sector and rate group injuries, suggest corrective action, and provide guidance for marketing campaigns by IHSA communication department.

The Provincial Committee and the Network also congratulate the two recipients of the Phinnemore award for 2010 and 2011, Michael Quinn and Steve Cody, who worked tirelessly for many years as chairs of the Sudbury and Ottawa Committees respectively.

The efforts of these individuals, and the more than 700 volunteers who regularly participate on these IHSA-supported committees, ensure the viability and credibility of the Labour-Management Network.



# Corporate Services Department

Corporate services contains a broad range of roles, including customer service, finance, organizational excellence, IT, and marketing and communications. These groups, while maintaining a presence behind the scenes in many cases, provide essential support to those staff employed on the front line.

## **Organizational Excellence and Information Technology**

This group was kept busy with several office changes and moves in 2010 and all of the necessary re-routing of network requirements. As well, organizational excellence was full of activity putting new systems into place and creating processes through which IHSA could work efficiently.

### ***Information Technology (IT)***

IT led several efforts, such as:

- providing and implementing a mobile device project for field staff (120 users)
- continuing to provide IT support to all IHSA computer systems, computer users and maintaining the IT infrastructure
- launching a data consolidation project to merge three legacy computer systems into one system.

### ***Organizational excellence***

Highlights include:

- continued process mapping of IHSA's internal processes and providing support at the HSO level
- formulation and management of the new IHSA Joint Health and Safety Committee.

## **Marketing and communications**

The marketing and communications group focused on building the new IHSA brand over the course of 2010. The team worked to create an image for the new organization and ensure its consistent use on all products. The major efforts of the team included:

- redesigning manual and book covers
- creating an IHSA brochure, catalogue and information package
- publishing a regular electronic newsletter
- hosting media events such as the launch of the *Working at Heights* program with the Minister of Labour
- redesigning existing legacy website.

## **Finance**

The finance group dealt with many changes over the course of 2010 working to build consistency and efficiency in the new organization. Accounting systems were streamlined where possible and every effort was taken to create a smooth-running system.

## **Customer service**

Staff in customer service had a large learning curve to overcome, needing to learn about and be able to discuss in detail all of IHSA's combined courses, products and services. The group also underwent several staff relocations and role changes in order to best meet customer needs.

# 2010 IHSA Member Injury Performance

The amalgamation of the legacy associations in 2010 brought with it a realignment of rate groups to the new associations. IHSA now has oversight of Rate Group 134 (Aggregates) and Rate Group 497 (Ready-Mix Concrete) among the traditional construction, transportation and electrical rate groups.

## Lost-time injuries (LTIs)

IHSA member firms experienced significant injury reductions in 2010. Table 1 outlines the performance of the member firms (all IHSA rate groups) in comparison to 2009. Even with a 4.4 per cent increase in hours worked, the total injury count, including medical aid and lost-time injuries, was down 7.7 per cent.

The lost-time injury rate and total injury rate were both down over 2009 by 13.1 and 11.8 per cent respectively. The rates are based on the number of injuries for every 200,000+ hours worked (or per 100 full-time equivalent workers).

## Overall Injury Performance in IHSA Rate Groups

Performance	2010	2009	% Change
Total Injury Rate	5.85	6.63	-11.8
Allowed Traumatic Fatalities*	39	41	-4.9
LTI Rate	1.66	1.91	-13.1
Total Injury Count	33,277	36,061	-7.7
LTI Count	9,462	10,423	-9.2
FTE	568,340	544,261	+4.4

## Fatalities

Unfortunately, in 2010, IHSA member firms lost 39 workers to traumatic fatalities. Although this is a decrease over 2009, every fatality is unacceptable.

Motor vehicle incidents were the cause of 15 of the 39 fatalities. Falls were the cause of 12 traumatic fatalities while nine fatalities were caused by being struck by material, equipment or vehicles. Two workers were fatally injured by electrical contact and one worker succumbed to heat stress.

IHSA launched its new *Working at Heights - Fundamentals of Fall Prevention* program with the aim at eliminating fall-related injuries and fatalities. IHSA also continues to promote and conduct motor-vehicle related programs within its member firms.

With the exception of injuries to new workers (defined as having worked less than 28 days with the same employer), there was a reduction in all categories of lost-time injuries in 2010 compared to 2009 as detailed in Table 2.



# 2010 IHSA Member Injury Performance Con't.

Musculoskeletal disorders (MSDs) and falls continue to account for the majority of all lost-time injuries. MSDs alone accounted for 40 per cent of the lost-time injuries experienced by workers of member firms. Falls from height and falls to the same level resulted in 22 per cent of all lost-time injuries in member firms.

## Lost-time Injury Profile

Injury Profile - LTI Count	2010	2009	% Change
MSDs	3,802	4,417	-13.9
Falls	2,131	2,320	-8.1
Machinery	241	249	-3.2
MVIs	314	335	-6.3
Critical Injuries	442	486	-9.1
New Worker	635	548	+15.9
Young Worker	1,224	1,417	-13.6

The Workplace Safety and Insurance Board identified three types of injuries resulting in the greatest cost to the prevention system - injuries to the lower back, the shoulders, and fractures. Again, IHSA member firms experienced decreases in these injuries over the previous year. IHSA worked with its network of stakeholders to produce sector-specific prevention tools and resource material to help reduce the injuries from these causes.

## High Impact Claims

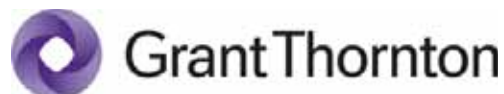
High Impact Claims - LTI Count	2010	2009	% Change
Lower Back	1,969	2,292	-14.1%
Shoulder	613	678	-9.6%
Fractures	988	1,045	-5.5%



# Auditor's Report

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To the Directors of Infrastructure Health & Safety Association

We have audited the accompanying financial statements of Infrastructure Health & Safety Association, which comprise the statement of financial position as at December 31, 2010, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## AUDITOR'S REPORT

See accompanying  
notes to the financial  
statements.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Infrastructure Health & Safety Association as at December 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

As part of our audit of the 2010 financial statements, we also audited the adjustments described in Note 3 that were applied to amend the 2009 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2009 financial statement of the Association other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2009 financial statements taken as a whole.

### Other matter

The financial statements of the predecessor associations (See Note 1), Construction Safety Association of Ontario, Electrical & Utilities Safety Association, and Transportation Health & Safety Association of Ontario for the year ended December 31, 2009, were audited by other auditors who expressed an unmodified opinion on those statements on March 31, 2010, March 19, 2010 and March 23, 2010 respectively.

Mississauga, Ontario  
April 7, 2011



Chartered Accountants  
Licensed Public Accountants

## AUDITOR'S REPORT

See accompanying notes to the financial statements.

### Infrastructure Health & Safety Association Statement of financial position

December 31

2010

2009  
(Restated  
Note 3)

#### Assets

##### Current

Cash and cash equivalents	\$ 5,584,620	\$ 1,102,302
Investments (Note 6)	964,363	171,876
Receivables	1,112,054	984,921
Inventory	371,945	454,725
Prepays	<u>257,700</u>	<u>401,102</u>
	<b>8,290,682</b>	<b>3,114,926</b>

Prepaid rent and deposits	510,642	548,527
Long term investments (Note 6)	974,615	1,012,953
Investment in CHSI (Note 7)	461,778	385,334
Cash and cash equivalents held for special purposes (Note 8)	-	2,820,604
Property and equipment (Note 9)	<u>923,630</u>	<u>1,058,276</u>
	<b>\$ 11,161,347</b>	<b>\$ 8,940,620</b>

#### Liabilities

##### Current

Payables and accruals	\$ 2,729,980	\$ 2,067,640
Deferred revenue (Note 10)	<u>231,261</u>	<u>419,019</u>
	<b>2,961,241</b>	<b>2,486,659</b>

Deferred revenue (Note 10)	401,283	439,168
Deferred capital contributions (Note 11)	308,002	333,107
Employee future benefits (Note 12)	<u>8,916,200</u>	<u>7,903,900</u>
	<b>12,586,726</b>	<b>11,162,834</b>

#### Fund balances

Net assets invested in capital assets (Note 13)	615,628	725,169
Unrestricted fund deficit	<u>(2,041,007)</u>	<u>(2,947,383)</u>
	<b>(1,425,379)</b>	<b>(2,222,214)</b>
	<b>\$ 11,161,347</b>	<b>\$ 8,940,620</b>

Commitments (Note 17)

On behalf of the Board:



Director



Director

## AUDITOR'S REPORT

See accompanying notes to the financial statements.

### Infrastructure Health & Safety Association Statement of operations

Year ended December 31	2010	2009 (Restated Note 3)
<b>Revenue</b>		
Workplace Safety and Insurance Board funding (Note 14)	\$ 24,902,160	\$ 25,022,682
Amortization of deferred capital contributions (Note 13)	76,720	54,994
Recoveries (Note 15)	5,525,359	6,462,684
Interest income	26,938	69,753
	<u>30,531,177</u>	<u>31,610,133</u>
<b>Expenses</b>		
Advertising and promotion	219,031	273,811
Amortization	269,476	255,602
Employee benefits	5,259,727	5,802,487
Equipment and maintenance	694,336	694,711
Insurance	32,359	207,110
Labour management	140,782	247,872
Occupancy cost	2,772,570	2,653,752
Office expenses	206,374	150,567
Personnel costs	110,545	221,505
Postage, courier and freight	49,403	172,724
Professional fees	486,813	461,987
Program delivery	1,231,328	2,435,662
Research and library costs	24,620	39,099
Salaries	15,891,165	16,649,076
Supplies and services	261,457	258,002
Telecommunications	211,560	312,057
Travel and business	1,930,505	2,148,575
	<u>29,792,051</u>	<u>32,984,599</u>
Excess (deficiency) of revenue over expenses before other income	739,126	(1,374,486)
Other income	57,709	-
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 796,835</b>	<b>\$ (1,374,486)</b>

## AUDITOR'S REPORT

See accompanying notes to the financial statements.

### Infrastructure Health & Safety Association Statement of changes in fund balances

Year ended December 31, 2010

	Net assets Invested in capital assets	Unrestricted fund deficit	<b>Total</b> <b>2010</b>	(Restated Note 3) 2009
Fund balances, beginning of year As originally stated	\$ -	\$ (2,848,820)	\$ (2,848,820)	\$ (1,533,114)
Adjustment of prior year (Note 3(b))	<u>725,169</u> 725,169	<u>(98,563)</u> (2,947,383)	<u>626,606</u> <b>(2,222,214)</b>	<u>685,386</u> (847,728)
Excess (deficiency) of revenue over expenses	-	796,835	<b>796,835</b>	(1,374,486)
Net change in investment in capital assets (Note 13)	<u>(109,541)</u>	<u>109,541</u>	<u>-</u>	<u>-</u>
	\$ <u>615,628</u>	\$ <u>(2,041,007)</u>	\$ <b>(1,425,379)</b>	\$ <b>(2,222,214)</b>

See accompanying  
notes to the financial  
statements.

## Infrastructure Health & Safety Association Statement of cash flows

Year ended December 31	2010	2009 (Restated Note 3)
<hr/>		
Increase (decrease) in cash and cash equivalents		
<b>Operating activities</b>		
Excess (deficiency) of revenue over expenses	\$ 796,835	\$ (1,374,486)
Amortization	269,476	255,602
Amortization of deferred capital contributions	(76,720)	(54,994)
Equity earnings in Centre for Health & Safety Innovation	(76,444)	(26,203)
Gain on sale of property and equipment	(31,706)	-
Benefit expense related to future employee benefits other than pension plan	1,726,800	2,417,200
Future employee benefits other than pension plan paid	<u>(714,500)</u>	<u>(3,283,500)</u>
	1,893,741	(2,066,381)
Change in non-cash operating working capital (Note 18)	<u>573,631</u>	<u>(1,002,620)</u>
	<u>2,467,372</u>	<u>(3,069,001)</u>
<b>Investing activities</b>		
(Increase) decrease in investments, net	(754,149)	769,545
Proceeds from sale of property and equipment	47,400	-
Purchase of property and equipment	<u>(150,524)</u>	<u>(164,532)</u>
	<u>(857,273)</u>	<u>605,013</u>
<b>Financing activities</b>		
Amounts received related to property and equipment	<u>51,615</u>	<u>222,804</u>
Increase (decrease) in cash and cash equivalents	1,661,714	(2,241,184)
Cash and cash equivalents, beginning of the year	<u>3,922,906</u>	<u>6,164,090</u>
Cash and cash equivalents, end of the year	\$ <u>5,584,620</u>	\$ <u>3,922,906</u>
<hr/>		
Consisting of:		
Cash and cash equivalents	\$ 5,584,620	\$ 1,102,302
Cash and cash equivalents for special purposes	<u>-</u>	<u>2,820,604</u>
	<u>\$ 5,584,620</u>	<u>\$ 3,922,906</u>



See accompanying notes to the financial statements.

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## **Infrastructure Health & Safety Association**

### **Notes to the financial statements**

December 31, 2010

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#### **1. Nature of operations**

The Association was incorporated on January 1, 2010 as a Corporation without share capital under the Canada Corporations Act. As a not-for-profit organization, the Association is exempt from income taxes under Section 149(1)(l) of the Income Tax Act (Canada).

The Association was formed on January 1, 2010 by amalgamating the Construction Safety Association of Ontario (CSAO), the Electrical & Utilities Safety Association (E&USA) and Transportation Health & Safety Association of Ontario (THSAO). This amalgamation is the result of a 2008 review by the Occupational Health & Safety Council of Ontario, which gathers representatives from the Workplace Safety and Insurance Board (WSIB), the Ministry of Labour and Ontario's 12 industry related health and safety associations.

The Infrastructure Health & Safety Association ("the Association") is a not-for-profit occupational health and safety organization, which provides training and consultation to the construction, electrical and utilities, and transportation industries.

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#### **2. Summary of significant accounting policies**

##### **Basis of presentation**

These financial statements are prepared by management in accordance with Canadian generally accepted accounting principles using the deferral method of reporting restricted contributions.

As indicated in Note 1, effective January 1, 2010 the Association was formed by the amalgamation of three predecessor associations. Accordingly these financial statements have been prepared based on the continuity of interests principle which requires the continuing entity, Infrastructure Health & Safety Association to report the current and comparative records as if the three entities had been combined since inception. Accordingly, the comparative year financial statements include the combined operations of the three predecessor associations.

##### **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

## Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

### 2. Summary of significant accounting policies (continued)

#### Revenue recognition

As prescribed by provincial legislation, the Association is funded by the Workplace Safety and Insurance Board ("WSIB") and follows the deferral method of accounting for funding. Restricted funding is deferred and recognized as revenue when the related expense occurs. Unrestricted funding is recognized as revenue when received or receivable. Funding received for capital expenditures is deferred and recognized as revenue over the estimated useful life of the capital asset.

Sponsorships received are accounted for using the deferral method and are recognized as revenue in the year the related expenditures are incurred. Additional funding is generated by the Association through recoveries. Safety product recoveries are recognized as revenue when goods are shipped and when there is reasonable assurance of collection. Course and seminar recoveries are recognized as revenue when completed and when there is reasonable assurance of collection.

#### Inventory

Inventory of safety products is recorded at the lower of cost and net realizable value, with cost being determined on an average cost basis.

#### Investments

Investments held to maturity are recorded at amortized cost. Should market value at year end be less than cost and this difference is considered to be other than a temporary decline, the investment is written down to market value which becomes the new cost base.

The Association is a joint venture partner in the Centre for Health & Safety Innovation ("CHSI"). The Association's investment in CHSI represents 25.43% interest and is accounted for by the equity method. Under this method, the investment is recorded at cost plus the Association's proportionate share of CHSI's surplus since inception.

#### Property and equipment

Property and equipment are recorded at cost. Amortization is calculated over their estimated useful lives on the straight-line basis, with the half-year rule in the year of acquisition, at the following rates:

Furniture and fixtures	-	five years
Leasehold improvements	-	term of the lease (15 years)
Emergency response equipment	-	five years
Computer hardware and software	-	three years

See accompanying notes to the financial statements.

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## Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

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### 2. Summary of significant accounting policies (continued)

#### Employee future benefits

The Association accrues its obligations under employee benefit plans and the related costs, net of plan assets, as follows:

- The cost of pensions and other retirement benefits earned by employees is actuarially determined using the projected benefit method and management's best estimate of expected plan investment performance for funded plans, salary escalation, retirement ages of employees and expected health care costs.
- For the purpose of calculating the expected return on plan assets, those assets are valued at fair value.
- Past service costs for plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment.
- The excess of net actuarial gain (loss) over 10% of the greater of the benefit obligation and fair value of plan assets is amortized over the estimated average remaining service period of active employees.

#### Pension Plan

The Association's contributions to a multi-employer, defined benefit pension plan are expensed in the year the contributions are due.

#### Future Accounting Policies

In September 2010, the Accounting Standards Board (AcSB) decided that the final standards for CICA Handbook Part III – Accounting Standards for Not-for-Profit Organizations will be substantially the same as proposed in the exposure draft that was issued in March 2010.

Part III is proposed to include existing Not-for-Profit Organization (NFPO) standards 4400-4470 as well as the following standards from Part II, modified specifically to NFPOs.

- Section 1000 *Financial statement concepts*
- Section 1100 *Generally accepted accounting principles*
- Section 1400 *General standards of financial statement presentation*
- Section 1500 *First-time adoption*

The AcSB proposes that NFPOs should apply these standards for fiscal years beginning on or after January 1, 2012. The adoption of these standards is not expected to have a material impact on the Association's financial statements.

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## Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

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### 3. Restatement of prior years

- (a) During the year it was determined that capital grants received in prior years in the amount of \$233,107 had been netted against the related capital assets. The Association's accounting policy is to defer capital contributions and amortize them into income at the same rate that the related capital assets are amortized. Accordingly, capital assets and deferred capital contributions as at December 31, 2009 increased by \$233,107 and the amortization of deferred capital contributions and depreciation and amortization each increased by \$54,994. This restatement did not have an effect on the excess (deficiency) of revenue over expenses for the year ended December 31, 2009.
- (b) In addition, it was determined that unrestricted funding received in prior years that was used to purchase property and equipment was deferred and amortized to revenue on the same basis as the related asset was being amortized. The Association's accounting policy is to recognize unrestricted funding as revenue when received or receivable. Accordingly, deferred capital contributions as at December 31, 2009 decreased by \$626,606 and the amortization of deferred capital contributions decreased by \$132,297. Workplace Safety and Insurance Board funding also increased by \$73,517, resulting in an increase in the deficiency of revenue over expense of \$58,780 for the year ended December 31, 2009. The 2009 opening net assets invested in capital assets increased by \$769,985, while the 2009 opening unrestricted fund deficit increased by \$84,599, for a net increase in fund balances of \$685,386.

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### 4. Financial instruments

#### Classification of financial instruments

Cash and cash equivalents have been classified as held for trading, receivables have been classified as loans and receivables, investments have been classified as held to maturity and payables and accruals have been classified as other financial liabilities.

#### Fair value

The fair values of cash and cash equivalents, receivables and payables and accruals are assumed to approximate their carrying value due to their relatively short term to maturity.

#### Credit risk

Financial instruments which potentially subject the Association to credit risk consist principally of cash and cash equivalents, short-term investments and accounts receivable. The Association's cash and cash equivalents are maintained at major financial institutions and short-term investments consist of callable deposit notes and investment certificates issued by financial institutions; therefore, the Association considers the risk of non-performance of these instruments to be remote.

The Association manages its credit risk with respect to accounts receivable by dealing primarily with creditworthy customers and where necessary, by billing in advance of rendering services. The Association makes provisions for any doubtful accounts as required. Management considers reasons and history for each overdue account as well as economic conditions.

See accompanying notes to the financial statements.

## Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

### 5. Capital disclosures

The capital structure of the Association consists of net assets invested in capital assets, unrestricted fund deficit and deferred capital contributions.

The Association's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to support innovation and applied learning in the prevention of workplace injuries and illnesses.

The Association sets the amount of fund balances in proportion to risk, manages its capital structure and makes adjustments to it in light of economic conditions and the risk characteristics of the underlying assets.

### 6. Investments

#### Investments held to maturity

Investments held to maturity consist of bonds and guaranteed investment certificates earning interest with rates ranging from 1.35% to 5.29% annually and having maturity dates that extend from December 2011 to June 2014. The investments consist of the following:

	<u>2010</u>	<u>2009</u>
Investments, at amortized cost	\$ 1,938,978	\$ 1,184,829
Less: amounts maturing within one year	<u>964,363</u>	<u>171,876</u>
Total long term portion	<u>\$ 974,615</u>	<u>\$ 1,012,953</u>

As at December 31, 2010, the investments have a market value of \$1,962,918 (2009 - \$977,567).

### 7. Investment in Centre for Health & Safety Innovation

Centre for Health & Safety Innovation ("CHSI") is a not-for-profit organization, incorporated under the laws of the province of Ontario on September 8, 2004. The purpose of CHSI is to create a focal point for innovation and applied learning in the prevention of workplace injuries and illnesses and to act as a key resource for employers, employees and others seeking expertise and direction on how to make workplaces safer. The organization is exempt from income taxes under the Income Tax Act.

See accompanying  
notes to the financial  
statements.

## Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

### 7. Investment in Centre for Health & Safety Innovation (continued)

Investment consists of:	<u>2010</u>	<u>2009</u>
Balance, beginning of year	\$ 385,334	\$ 359,131
Proportionate share of surplus (Note 15)	<u>76,444</u>	<u>26,203</u>
Balance, end of year	\$ <u>461,778</u>	\$ <u>385,334</u>

CHSI's members include IHSA and the Workplace Safety & Prevention Services. The Association's investment in CHSI represents 25.64% (2009 - 25.64%) of the total member's capital investment and is accounted for by the equity method. Under this method, the investment is recorded at cost plus the Association's proportionate share of CHSI's surplus since inception. Summary financial information for CHSI is as follows:

CHSI Financial position:	<u>2010</u> CHSI	<u>2010</u> IHSA 25.64% share
Assets	\$ 2,332,307	\$ 598,004
Liabilities	<u>531,302</u>	<u>136,226</u>
Net Assets	\$ <u>1,801,005</u>	\$ <u>461,778</u>
CHSI financial activities:		
Revenue	\$ 4,395,519	\$ 1,127,011
Expenses	<u>4,097,375</u>	<u>1,050,567</u>
Excess of revenue over expenses	\$ <u>298,144</u>	\$ <u>76,444</u>
CHSI cash flows:		
Operating activities	\$ 314,916	\$ 80,744
Investing activities	<u>(99,888)</u>	<u>(25,611)</u>
Net change in cash flows	\$ <u>215,028</u>	\$ <u>55,133</u>

Occupancy costs of \$2,772,570 for the year ended December 31, 2010 (2009 - \$2,653,752) include \$996,250 (2009 - \$995,266) paid to CHSI.

### 8. Cash and cash equivalents held for special purposes

Cash and cash equivalents at December 31, 2009 of \$2,820,604 were designated by the investment committee of the former Construction Safety Association of Ontario for the purpose of funding long-term employee benefits and other special expenditures. The investment committee of the Association in 2010 has yet to designate any funds for this purpose.

## AUDITOR'S REPORT

See accompanying notes to the financial statements.

### Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

	<b>2010</b>			<b>2009</b>
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	(Restated Note 3) Net Book Value
9. Property and equipment				
Furniture and fixtures	\$ 162,157	\$ 118,431	\$ 43,726	\$ 41,378
Leasehold improvements	652,048	206,083	445,965	489,584
Emergency response equipment	863,113	463,782	399,331	464,823
Computer equipment	43,052	27,176	15,876	21,771
Computer software	65,963	47,231	18,732	40,720
	<u>\$ 1,786,333</u>	<u>\$ 862,703</u>	<u>\$ 923,630</u>	<u>\$ 1,058,276</u>

#### 10. Deferred revenue

Deferred revenue represents unspent funds from the WSIB and other funded programs. Changes in the deferred operating funding balance are as follows:

	Skills Development Centre	Operations	<b>2010 Total</b>	2009 Total
Balance, beginning of year	\$ 452,053	\$ 406,134	\$ 858,187	\$ 1,024,938
Deferred recoveries	-	193,376	193,376	61,134
WSIB funding deferred	-	-	-	320,000
Amortization of deferred rent funding (Note 15)	(37,885)	-	(37,885)	(37,885)
Expenditures	-	(381,134)	(381,134)	(510,000)
Balance, end of year	414,168	218,376	632,544	858,187
Current portion	(37,885)	(193,376)	(231,261)	(419,019)
Long term portion	<u>\$ 376,283</u>	<u>\$ 25,000</u>	<u>\$ 401,283</u>	<u>\$ 439,168</u>

Long term deferred revenue relates to funds contributed to the Association for the Skills Development Centre location. These funds were contributed to the Association to help meet the rent payment obligations. These contributions were paid to the landlord as a prepayment of rent in order to reduce the monthly rent payments. As such these amounts are amortized into revenue over the term of the lease agreement.

See accompanying  
notes to the financial  
statements.

## Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

### 11. Deferred capital contributions

Deferred capital contributions related to property and equipment represents the unamortized amount and unspent amount of capital contributions received for the purchase of property and equipment. The changes in the deferred capital contributions related to property and equipment balance for the year are as follows:

	<u>2010</u>	<u>2009</u> (Restated Note 3)
Balance, beginning of year	\$ 333,107	\$ 165,297
Capital contributions	51,615	222,804
Amortization of deferred capital contributions	<u>(76,720)</u>	<u>(54,994)</u>
Balance, end of year	<u>\$ 308,002</u>	<u>\$ 333,107</u>

The balance of deferred capital funding related to property and equipment consists of the following:

	<u>2010</u>	<u>2009</u>
Unamortized capital funding used to purchase property and equipment	\$ 250,843	\$ 233,107
Unspent funding	<u>57,159</u>	<u>100,000</u>
Balance, end of year	<u>\$ 308,002</u>	<u>\$ 333,107</u>



## AUDITOR'S REPORT

See accompanying notes to the financial statements.

### Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

#### 12. Employee future benefits

The Association provides extended health care, dental and life insurance benefits to all full-time qualifying employees upon retirement to the age 65, with the following exceptions:

- 1) For former Electrical & Utilities Safety Association employees, these benefits extend to age 65 for employees hired subsequent to January 1, 2003. Benefits may be extended beyond age 65 at the discretion of the employee and the assumption of 50% of the cost by the employee. For employees hired prior to 2003, benefits extend for the employee's lifetime.
- 2) For former Construction Safety Association of Ontario employees, no future benefits are provided for employees hired subsequent to August 1, 2001. For employees hired prior to August 1, 2001, benefits extend for the employee's lifetime.

In addition to the extended health care, dental and life insurance benefits, the Association also provides exit benefits to employees in accordance with the Association's policy.

At December 31, 2010, the Association's accrued benefit obligation relating to post-retirement benefit plans was \$8,916,200 (2009 - \$7,903,900). The significant actuarial assumptions adopted in measuring the Association's accrued benefit obligation are as follows:

	<u>2010</u>	<u>2009</u>
Discount rate	5.00%	5.25%
Rate of compensation increase	4.50%	4.50%
Dental, hospital and vision benefits cost escalation	3.00%	3.00%
Medical benefits cost escalation – extended health care	5.00%	5.00%

Information about the Association's accrued benefit obligation relating to post-retirement benefit plans is as follows:

	<u>2010</u>	<u>2009</u>
Accrued benefit obligation, beginning of year	\$ 14,122,700	\$ 12,003,400
Current service costs	403,800	352,300
Interest on liabilities	743,900	768,400
Benefit payments	(714,500)	(712,000)
Actuarial loss on liabilities	390,100	3,576,900
Change in actuarial liabilities		
due to settlement of exit benefits	-	(1,536,500)
Reduction in actuarial liabilities		
due to curtailment at January 1, 2010	-	(329,800)
Accrued benefit obligation, end of year	<u>\$ 14,946,000</u>	<u>\$ 14,122,700</u>

See accompanying  
notes to the financial  
statements.

## Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

### 12. Employee future benefits (continued)

Reconciliation of the accrued benefit obligation to the employee future benefit liability is as follows:

	<u>2010</u>	<u>2009</u>
Accrued benefit obligation, end of year	\$ 14,946,000	\$ 14,122,700
Amounts not recognized in the financial statements		
Unamortized net actuarial losses	<u>(6,029,800)</u>	<u>(6,218,800)</u>
Employee future benefits	\$ <u>8,916,200</u>	\$ <u>7,903,900</u>

Employee future benefit liability consists of:

	<u>2010</u>	<u>2009</u>
Employee future benefit, beginning of year	\$ 7,903,900	\$ 8,770,200
Post-retirement benefits expense	1,726,800	2,417,200
Employer contributions	<u>(714,500)</u>	<u>(3,283,500)</u>
Employee future benefit, end of year	\$ <u>8,916,200</u>	\$ <u>7,903,900</u>

Information about the Association's post-retirement benefits expense is as follows:

	<u>2010</u>	<u>2009</u>
Current service expense	\$ 403,800	\$ 352,300
Interest on average liabilities	743,900	768,400
Amortization of initial net obligation	-	43,000
Amortization of net actuarial losses	579,100	434,100
Amounts due to settlement of exit benefits	<u>-</u>	<u>819,400</u>
	\$ <u>1,726,800</u>	\$ <u>2,417,200</u>

## AUDITOR'S REPORT

See accompanying notes to the financial statements.

### Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

<b>13. Net assets invested in capital assets</b>	<b><u>2010</u></b>	<b><u>2009</u></b>
Property and equipment	\$ 923,630	\$ 1,058,276
Amounts financed by deferred capital contributions	<u>(308,002)</u>	<u>(333,107)</u>
	<b><u>615,628</u></b>	<b><u>\$ 725,169</u></b>
Change in net assets invested in capital assets is calculated as follows:		
Purchase of property and equipment	\$ 150,524	\$ 164,532
Deferred contributions related to property and equipment	<u>(51,615)</u>	<u>(222,804)</u>
Amortization of deferred contributions related to property and equipment	76,720	54,994
Amortization of property and equipment	<u>(269,476)</u>	<u>(255,602)</u>
Disposal of property and equipment	<u>(15,694)</u>	<u>-</u>
	<b><u>\$ (109,541)</u></b>	<b><u>\$ (258,880)</u></b>
<b>14. Workplace Safety and Insurance Board ("WSIB") funding</b>		
WSIB funding consists of the following:		
	<b><u>2010</u></b>	<b><u>2009</u></b>
Approved original funding allocation	\$ 24,582,160	\$ 24,582,682
Additional funding for Zero Quest	300,000	300,000
Additional funding for special projects	<u>120,000</u>	<u>140,000</u>
	<b><u>25,002,160</u></b>	<b><u>25,022,682</u></b>
Less capital funding	<u>(100,000)</u>	<u>-</u>
	<b><u>\$ 24,902,160</u></b>	<b><u>\$ 25,022,682</u></b>
<b>15. Recoveries</b>	<b><u>2010</u></b>	<b><u>2009</u></b>
Certification	\$ 54,265	\$ 86,811
Other courses and seminars	4,047,623	4,898,641
Safety products	1,277,537	1,386,644
Annual meetings	31,605	26,500
Amortization of deferred rent funding	37,885	37,885
Equity earnings in CHSI	<u>76,444</u>	<u>26,203</u>
	<b><u>\$ 5,525,359</u></b>	<b><u>\$ 6,462,684</u></b>

## Infrastructure Health & Safety Association Notes to the financial statements

December 31, 2010

### 16. Pension

The employees of the Association are members of the Workplace Safety and Insurance Board (WSIB) Employee's Superannuation Plan. The plan provides for partially indexed pensions based on years of service and earnings rates near retirement. The investment activities and the administrative and accounting matters of the pension are administered by the WSIB. During the year, the Association made contributions to the plan on behalf of employees in the amount of \$1,562,896 (2009 - \$1,683,804).

### 17. Commitments

Under the terms of various operating leases for equipment and premises, the Association is committed to the following minimum annual lease payments, net of applicable taxes, for the next five years and thereafter:

2011	\$ 1,527,964
2012	1,361,181
2013	1,228,274
2014	1,187,054
2015	1,188,467
Thereafter	<u>2,157,378</u>
	<u>\$ 8,650,318</u>

### 18. Supplemental cash flow information

	<u>2010</u>	<u>2009</u>
Change in non-cash operating working capital		
Receivables	\$ (127,133)	\$ (363,972)
Inventory	82,780	22,942
Prepays and deposits	181,287	72,471
Payables and accruals	662,340	(487,150)
Deferred revenue	<u>(225,643)</u>	<u>(246,911)</u>
	<u>\$ 573,631</u>	<u>\$ (1,002,620)</u>

### 19. Economic Dependence

The Association receives a significant amount of its revenue from the WSIB and as a result is economically dependent the WSIB.



## **IHSA Vision**

The elimination of all workplace injuries, illnesses, and fatalities within our member firms

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## About IHSA

IHSA's vision is the elimination of all workplace injuries, illnesses, and fatalities within our member firms.

We engage with our member firms, workers, and other stakeholders to help them continuously improve their health and safety performance. We do this by providing effective and innovative sector-specific programs, products, and services.

### We offer

- training programs
- consulting services
- health and safety audits
- publications and e-news
- posters and stickers
- reference material
- a resource-rich website.

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